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FOR IMMEDIATE RELEASE:

**NEW ALBANY MAN SENTENCE FOR AIDING
AND ABETTING FAILURE TO PAY INCOME TAXES**

PRESS RELEASE

Susan W. Brooks, United States Attorney for the Southern District of Indiana, announced that DONALD W. REED, 54, New Albany, Indiana, was sentenced to 5 months imprisonment today by United States Magistrate Judge Michael G. Naville in New Albany following his previously entered guilty plea to aiding and abetting failure to pay federal income tax. This case was the result of an investigation by the Internal Revenue Service.

REED plead guilty to aiding and abetting Sandra R. Hull of Terre Haute, for willfully failing to pay her federal income tax for the calendar year 2002. In late 2002, Hull engaged Reed to broker the sale of real estate and timber on her behalf, from which she realized substantial gross income and a tax liability exceeding \$40,000. To assist Hull in her effort to evade the payment of the tax on said income, REED used his escrow account and paid her in artificially structured payments, and also paid her in the form of checks each in an amount less

than \$10,000. In this way, Hull was able to negotiate the checks and not generate a report from the bank regarding her income.

According to Assistant United States Attorney James M. Warden, who prosecuted the case for the government, Judge Naville also imposed 5 months of home detention and 1 year of supervised release following REED's release from imprisonment.

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